

A new economic strategy for Albertans

FEB 19 1997

A large, stylized sunburst graphic in a light blue color, composed of several triangular rays of varying lengths, centered in the upper half of the page.

BUILDING

on the

Alberta Advantage

The logo for the Alberta Economic Development Authority, featuring the word "ALBERTA" in a large, bold, serif font inside a black rectangular box, with "ECONOMIC DEVELOPMENT AUTHORITY" in a smaller, sans-serif font below it.

ALBERTA
ECONOMIC DEVELOPMENT AUTHORITY

A vision for the future

Alberta is recognized world wide as a place where people enjoy success, economic independence and an unmatched quality of life. It is the region of choice as a place to live, learn, work, play, visit, do business and raise our families.

This vision describes the kind of Alberta we want to continue to build. It's a vision that sees Alberta continuing to grow, producing more investment, more jobs, more opportunities for young people, and a quality of life that makes us proud to be Albertans.

To achieve this vision, Alberta's economy needs to keep growing. In these times of rapid change and a highly competitive marketplace, we need to stay at the forefront, moving ahead with new strategies, new ideas and new initiatives. We need a forward looking framework to guide the actions of government and the private sector over the next three years.

The Alberta Economic Development Authority (AEDA) has set out that new framework. The purpose isn't to lay out a blueprint complete with detailed actions and initiatives. Instead, our objective is to set out the key directions where targeted actions and strategies can produce the best return for Albertans.

AEDA's goal over the coming months is to work with government, with businesses and with Albertans to fill in the details, to expand on the framework and keep moving ahead to achieve the vision we set. As part of this process, we need to clarify our priorities in the context of our competitive strengths.

Guiding Principles

We've set a vision for Alberta's future. But who has responsibility to make the vision a reality?

The answer is, "Every Albertan." Every Albertan has a responsibility to contribute to the growth of Alberta's economy whether it's through

"This strategy is about building on the Alberta Advantage – helping to make Alberta more competitive. We can only stay ahead of the competition by industry, government and all Albertans working together."

Doug Mitchell, Q.C.
Alberta Economic
Development Authority

offering new ideas at work, continuous learning and upgrading skills, starting new business ventures, expanding existing ones, or encouraging their children to stay in school and learn as much as they can.

Beyond that, there is a leadership role that's needed. And that role should be played jointly by government and the private sector.

AEDA recommends the following principles to guide the actions of the private sector and government in building Alberta's economy:

- **The private sector and government will work in partnership to attract investment, promote the Alberta Advantage, and expand our economy.**
- **The private sector's role is to:**
 - identify opportunities and take the risks
 - create jobs
 - invest resources including time, money, people and training
 - be responsible members of the Alberta community, reflecting Alberta's values and contributing to a better society
 - work with government to identify barriers to economic growth and build effective solutions
 - be fiscally responsible in what they expect of government
 - help identify short and long term training and job skills requirements.
- **The provincial government's role is to:**
 - ensure a low tax, low regulation environment that's open for business
 - promote the Alberta Advantage
 - invest in infrastructure to meet current and future economic needs
 - provide leadership in education and training
 - provide market intelligence and information
 - maintain sound fiscal management to enhance confidence in Alberta as a good place to invest and do business
 - provide sound management and stewardship of Alberta's natural and cultural resources
 - work with Albertans, the public and private sectors, to improve Alberta's quality of life and make Alberta the best place to live, work and raise families.
- **Strategies to expand Alberta's economy will build on the province's strengths, be consistent with the values of Albertans, and target expanded investment, business opportunities and jobs for Albertans.**

The Alberta Economic Development Authority

AEDA was established to engage the private sector directly in shaping the future course of Alberta's economy. It's a partnership between government and the business sector that's unique in Canada.

AEDA's volunteers represent a broad cross-section of the private and public sectors across Alberta. Businesses large and small, municipal governments and local economic development authorities, labour and post-secondary institutions are all included.

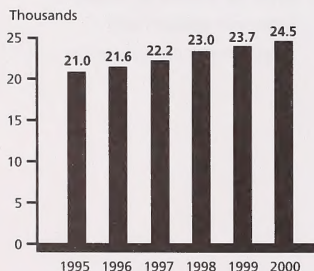
AEDA provides a vehicle for business and government to work together to promote the Alberta Advantage, remove barriers to economic growth, and expand investment, business opportunities and jobs for Albertans.

AEDA is responsible for developing strategies in partnership with government and for making recommendations to the provincial government in order to achieve sustainable economic growth and employment opportunities.

The Alberta Advantage

- *a competitive tax climate*
- *a highly skilled and talented workforce*
- *superior economic performance*
- *a government that lives within its means*
- *an abundance of high quality natural resources*
- *an exceptional entrepreneurial and competitive business community*
- *world class infrastructure and*
- *an outstanding quality of life.*

ANNUAL TARGETS FOR NEW BUSINESS INCORPORATIONS



Setting the Direction

Seven key directions are the foundation of this framework for future sustainable economic development:

- **Attracting new investment and keeping business competitive**
- **Preparing for the changing workplace**
- **Developing Alberta's infrastructure**
- **Building on the potential of technology**
- **Expanding trade and export**
- **Sustaining our environment**
- **Building self-reliant communities.**



Attracting new investment and keeping business competitive

Alberta is well known for its strong entrepreneurial spirit. That spirit is at the heart of Alberta's economy and will play a critical role in the future as we move ahead to expand business opportunities. The primary focus will be on expanding Alberta's economic value-added activities and services — areas such as upgrading resources, manufactured goods, and applying knowledge, expertise and ideas to produce new businesses and products. Emphasis will be on promoting growth of Alberta's small and medium sized enterprises.

Targeted strategies are needed to continue to build on our strengths in the areas of energy, agriculture, forestry, tourism, advanced technology, and applied services (e.g. architecture and engineering, business, education and environmental consulting, and biotechnology). Action will be taken to expand new business opportunities in such diverse areas as health, the arts and culture, education, entertainment and recreation.

GOALS

To increase the amount of Alberta's economy involved in value-added business and service activities

To increase investment in Alberta

STRATEGIES

Ensure a globally competitive tax regime to stimulate investment and economic activity.

- Review Alberta's tax policies as a tool for stimulating economic growth, investment, and technological innovation, and for removing barriers to Alberta's competitive position.

Continue efforts to remove and streamline regulations that limit competitiveness of Alberta companies.

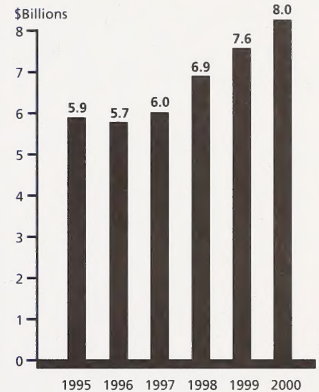
Improve the ability of start-up and early stage companies to access the equity capital they need to get their businesses up and running.

- Work together to find new avenues to assist start-up businesses in accessing equity capital, such as encouraging Alberta-based venture capital funds, mentoring and networking opportunities, and investor matching services.

Actively work in partnership with industry and federal, provincial and municipal governments to attract domestic and international investment.

- Promote the advantages of Alberta's economy and business opportunities around the world.
- Identify key factors that affect investment and location decisions and use that information to attract investment in major industry projects and expansions.
- Consider an Alberta-made business immigration program that encourages business people wanting to move to Canada to choose Alberta.

**MANUFACTURING & SERVICE
INDUSTRY INVESTMENT TARGETS**



Preparing for the changing workplace

A highly skilled workforce is absolutely essential for Alberta to prosper in a knowledge-based, global economy.

This means education and training must be a key focus of any future economic development strategy. AEDA supports development of a human resources strategy for Alberta that recognizes linkages between human resource development for all Albertans and economic success.

GOAL

To develop and maintain a skilled and flexible workforce in Alberta — one that is responsive to the changing requirements of a global economy

*"Education is the only tool
I can think of that serves
the dual purpose of
setting the stage for a
high quality of life and
creating the best business
climate. We need the
support of all
stakeholders to tackle the
issue: government,
students, parents,
teachers, and the
business community."*

Eric Newell
Alberta Economic
Development Authority

STRATEGIES

Improve Albertans' ability to enter the workforce and keep pace with changing skills.

- Establish a data base of up-to-date information on workplace trends, skills requirements and training opportunities to allow easy access to the latest information on changing skills and education and training opportunities.
- Expand cooperative work programs, apprenticeship and mentoring programs, especially those targeted at providing better opportunities for young people.
- Establish a career education foundation through the combined efforts of industry, educators and government, building on the success of such partnerships as the Alberta Chamber of Resources' "Careers ... The Next Generation" and other stakeholder initiatives.
- Ensure that Alberta's young people are well-prepared to enter the workforce by adjusting curriculum and establishing entrepreneurial and business skills programs.
- Encourage Albertans to continually upgrade their skills and knowledge through continuing education and other skills development programs.
- Encourage programs and workplaces to be responsive to people with special needs.

Link public funding of post-secondary educational institutions to a series of performance indicators such as the employment success of their graduates.

Remove barriers that prevent people from moving easily from job to job or place to place in order to work and achieve full participation in the workforce.

- Remove barriers to recognizing credentials of people from other parts of Canada and around the world.
- Work with other provinces to streamline western and Canadian curriculum to make it easier for K-12 students and their parents to move from province to province.
- Expand options for people in shorter term jobs to access appropriate benefits.



Developing Alberta's infrastructure

The quality of Alberta's human and physical infrastructure is an essential ingredient in attracting investment, expanding business opportunities and facilitating economic growth in communities. An excellent highway system is necessary for Alberta businesses to get their goods to market at a

reasonable price. As value-added industries change and expand in different parts of the province, the result is new transportation patterns and new demands on Alberta's infrastructure. At the same time, infrastructure today means more than just good transportation routes. For business and industry to compete and to attract new investment, Alberta must have leading edge telecommunications networks, efficient and reliable utilities, ready access to the full potential of new technology, and excellent hospitals, schools, post-secondary institutions and community facilities.

GOAL

To ensure that Alberta has a first class infrastructure to meet the current and future needs of the economy

STRATEGIES

Address pressing needs for infrastructure development and promote cooperative initiatives among business and industry, government, and municipalities to expand Alberta's infrastructure

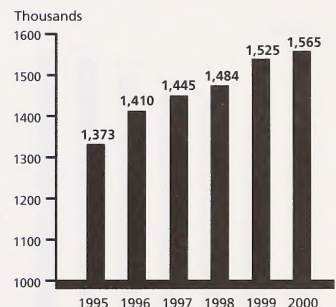
- Establish a comprehensive multi-modal transportation strategy to achieve: improved north/south access to markets in the U.S. and Mexico, including harmonized trucking regulations; improved access to offshore markets, including access via west coast ports; and improved efficiency of Alberta's transportation network to respond to changing demands.
- Identify and take action on regulatory matters related to infrastructure to enhance competitiveness.
- Identify and take action on appropriate initiatives dealing with telecommunications networks and other components of Alberta's infrastructure development.
- Work with airport authorities to improve domestic and international air service.



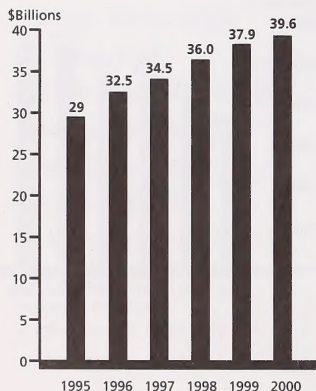
Building on the potential of technology

Technology is changing the way business is done and it's a key to future growth of Alberta's economy. Technology is opening up access to new markets, increasing the pace of change, providing almost instant access to information, customers and markets. And it has a tremendous potential for new business applications, new products and new services. For businesses to keep pace and compete, they have to keep pace with changing technology.

JOB CREATION TARGETS
(annual average)



INTERNATIONAL EXPORTS TARGETS



GOAL

To ensure that Alberta is a leader in applying leading edge technology and using technology to create new products and services for markets around the world

STRATEGIES

Use technology in targeted areas to expand Alberta's value-added industries.

- Place priority on initiatives in energy production and products; wireless technology, telecommunications equipment and new media; fibre and food, including economic value-added forestry and agricultural development; life sciences and biotechnology; and environmental technologies.

Expand Alberta's focus on research and technology

- Promote investment in institutes to strengthen the province's research and technology capabilities.
- Support the leadership role of the Alberta Science and Research Authority to expand Alberta's base of science and technology business applications.
- Expand the number of research and technology activities that result in viable commercial products and services.



Expanding trade and export

With rapidly expanding markets, it's no longer good enough just to look at business opportunities in the province or across Canada. Alberta's economic growth will depend in large part on our ability to export more of our products and services to new global markets, and to attract international investment and visitors to our province.

GOAL

To increase opportunities for trade and export of Alberta products and services to new and expanded markets

STRATEGIES

Expand national and international market opportunities for Alberta's value-added industries and services.

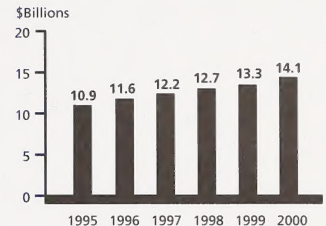
- Combine the efforts of the private sector and government to provide market intelligence and create flexible business networks to assist smaller operations to capitalize on opportunities in new markets.
- Private sector and government work together to identify strategic targets for "Team Alberta" trade missions and other business development and promotional initiatives.
- Work with federal government and other provinces in cooperative trade initiatives and in removing barriers to trade in key markets.

Improve Alberta's ability to compete and do business in global markets by expanding people's understanding of world languages and cultures.

- Encourage Albertans to become more familiar with unique characteristics of world cultures.
- Encourage universities, colleges and schools to target their language training, cultural, and business programs to meet the needs of a global marketplace and expand international experiences for students and faculty.

Support the leadership role of the Alberta Tourism Partnership Corporation in expanding Alberta's tourism industry and in promoting Alberta as a world renowned tourism destination.

VALUE ADDED EXPORTS TARGETS



Sustaining our environment

An economic development strategy for the future must balance the opportunities for growth with the need to preserve and maintain Alberta's rich natural environment for future generations. The high quality of our air, land and water resources, combined with sound environmental practices, are increasingly recognized as part of the Alberta Advantage. Our ability to market certain goods and services in international markets is directly affected by our environmental practices. Alberta businesses and industries respect the need to protect Alberta's environment.

GOAL

To achieve sustainable economic growth that will enhance our commitment to preserve and protect Alberta's environment

STRATEGIES

Establish clear responsibility and accountability for environmental management, including the respective roles of government and industry.

- Develop an overall framework for environmental management which brings together various initiatives (e.g. Special Places 2000) and provides clear natural resource management and environmental policies, objectives, standards and timeframes.

Provide predictable, consistent and streamlined regulations for land use and resource management policies so industry understands the rules of the game.

- Harmonize environmental regulations among provincial, federal and municipal governments and establish a single source of information about regulations and project approvals.
- Work toward improving efficiency and timeliness of approval processes.



Building self-reliant communities

Communities across the province have to look for effective ways to expand their own opportunities for growth. This involves building on their local resources and strengths, their unique histories, arts and culture. It also means community groups, local businesses, educators and municipalities working together to review community services, improve quality, identify opportunities for economic growth and determine community futures.

GOAL

To ensure that communities are able to build on their local strengths and resources and participate in the economic growth of the province

STRATEGIES

Encourage communities to create and implement viable local and regional economic development plans with key partners.

Work with business, municipal governments, labour, education and community groups to eliminate barriers and to identify opportunities for local economic development.

Explore opportunities to enhance fiscal capabilities of communities to assist in maintaining infrastructure and in developing community quality initiatives.

"Building Alberta's economy is about more than new business opportunities. It is about creating jobs, preparing young people, and building a better future for all Albertans."

Charlotte Robb
Alberta Economic
Development Authority

Getting Results

By moving ahead with the strategies outlined in this framework, we expect to achieve a number of key targets over the next three years. Those targets have been identified throughout this report. In some areas, targets have not yet been set. Those targets will be developed as we move ahead with more detailed implementation plans.

Get Involved

The purpose of this new economic development strategy is to set out a framework for action. Now the next step begins... taking this broad framework and transforming it into tangible actions.

The Alberta Economic Development Authority is counting on businesses of all sizes, industry, communities and all Albertans to get involved and to work with us and the provincial government to achieve the vision we set... a vision of success, economic independence and an unmatched quality of life for Alberta.

For further information on how you can get involved, contact:



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